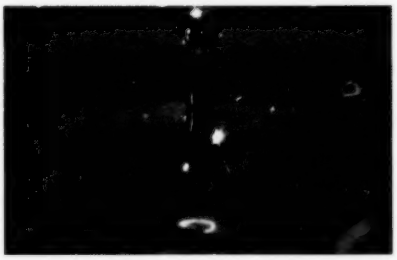

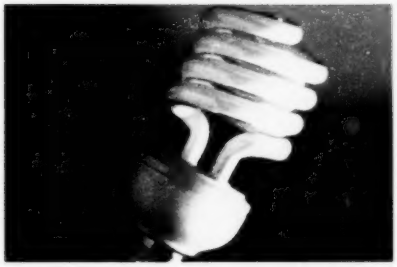

ANNUAL REPORT 2007/08

Green Manitoba

An Agency of the Manitoba Government

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Green Manitoba
An Agency of the Manitoba Government

Minister's letter of transmittal

The Honourable John Harvard
Lieutenant Governor of Manitoba
Room 235 Legislative Building
Winnipeg MB R3C 0V8

Your Honour:

I have the privilege of presenting the Annual Report of Green Manitoba Eco Solutions for the year ending March 31, 2008.

In January 2006, the Manitoba Government released the *Green and Growing* document that outlined the government's strategic direction on important environmental initiatives.

A key component of that strategy has been the creation and development of a new agency that will implement specific new initiatives related to the Green and Growing vision.

This is the second Annual Report from that agency.

Respectfully submitted,

Jim Rondeau
Minister of Science, Technology,
Energy & Mines

Deputy Minister's letter of transmittal

Honourable Jim Rondeau
Minister Responsible for Green Manitoba
Eco Solutions
Room 333 Legislative Building
Winnipeg MB R3C 0V8

Dear Minister Rondeau:

I am pleased to submit for your consideration the Annual Report of Green Manitoba Eco Solutions for the year ended March 31, 2008.

Science, Technology, Energy and Mines has been designated the lead Department in implementing the Green and Growing Strategy of the Government.

Consistent with that strategy, a new Special Operating Agency – Green Manitoba – was established, as of April 1, 2006, to advance sustainable practices throughout the Province.

This report outlines the activities and achievements of the agency during its second year of operation.

Respectfully submitted,

John Clarkson
Deputy Minister of Science,
Technology, Energy and Mines

Chief Executive's message

On behalf of all agency staff, I am pleased to report on the achievements of Green Manitoba Eco Solutions for the year ended March 31, 2008.

In its second year of operations, the agency explored more opportunity, broadened its span of activity and sharpened its focus to support government's sustainability and climate change action goals in the most effective manner possible. Green Manitoba's contribution to building capacity for change and stimulating action on sustainability issues reflects a success shared with the many organizations and individuals who participated with us.

The work achieved in 2007 / 2008 would not have been possible without the support of community, business and public sector partners, as well as the effort and dedication of agency staff. We remain committed to a green and growing Manitoba and will continue to challenge ourselves and others to keep Manitoba in the forefront of sustainable prosperity.

In the near future, an Advisory Board for the agency will be established. We look forward to the Board's advice regarding Green Manitoba's strategic direction and business practices.

Respectfully submitted,

Doug Smith
Director

Executive summary

Green Manitoba was established to help build a sustainable and prosperous future for all Manitobans. By emphasizing practical approaches to waste reduction, water conservation and energy efficiency in communities, homes and businesses, Green Manitoba works to achieve a winning merger of environmental protection and economic growth throughout the Province.

Green Manitoba's activities are guided by core concepts regarding opportunity, collaboration and value:

> *Thinking broadly about social, economic and environmental issues and their interrelationships underpins the notion of sustainability and expands awareness of new opportunities and choices.*

> *Successfully engaging diverse stakeholders in both traditional and innovative ways is vital for securing the partnerships and collaborative effort essential for achieving meaningful progress.*

> *Delivering genuine value from the stakeholders' perspective is key to advancing Manitoba's sustainability objectives and reinforces the importance of actions that are practical, measurable and effective.*

By putting these concepts into practice, Green Manitoba made significant headway in 2007/08 – the Agency's second year of operations. Of particular note:

- Government's extended producer responsibility (EPR) initiative aimed at waste diversion and reduction was broadly advanced, and, in particular, tire stewardship was successfully transitioned to an industry organization.
- A partnered, province-wide approach to electronic waste collection and disposal was implemented and large quantities of e-waste were diverted from landfill.
- Green Manitoba developed a framework and a partnered approach to encourage small business owners throughout Manitoba to implement low-cost or no-cost measures aimed at increasing energy and water efficiencies and reducing waste.
- Green Manitoba researched and developed the program framework for a Green Schools Initiative designed to stimulate and fund student- and teacher-led responses to environmental issues connected with Manitoba schools.

Green Manitoba's 2007 / 2008 year-end financial position reflects the Agency's continued development and early period of operations. Revenue growth is forecast to place the Agency on a positive financial footing in the near future as government "green" policy frameworks evolve and our business model matures. Green Manitoba will use this time to achieve key objectives, deliver benefit to clients, and demonstrate value to stakeholders.

Agency profile

History

Green Manitoba was created as a Special Operating Agency effective April 1, 2006, by merging existing elements of the Departments of Science, Technology, Energy & Mines and Conservation. Treasury Board allocated additional resources to Green Manitoba in FY 2006/07 to support the government's *Green Building* policy initiative. Since inception, Green Manitoba has served as an enabler and delivery agent for programs that enhance sustainability and resource management practices throughout the province.

Mission

The mission of Green Manitoba is to promote sustainable communities and enhance economic prosperity in Manitoba through joint environmental action on waste minimization, water conservation and energy efficiency.

Through demonstrated leadership and effective collaboration, Green Manitoba guides and supports environmentally-sound community practices intended to:

- Reduce solid waste generation and encourage materials efficiency
- Preserve adequate, reliable and sustainable supplies of freshwater
- Decrease energy consumption and mitigate climate change impacts

Green Manitoba is a key delivery agent for government's *Green and Growing* strategy. By bringing together partners from different levels of government, business and other stakeholder organizations, Green Manitoba facilitates and drives implementation of a variety of sustainable solutions.

Our vision is *"a cleaner and greener Manitoba"* where natural resources are used wisely, waste is eliminated, adverse climate change impacts are minimized, and sustainable development is increasingly understood as the key to unlocking future economic prosperity and a high quality of life.

We work closely with communities, governments, businesses, and other stakeholder organizations to facilitate or complement activities and programs designed to achieve environmental protection and community development goals.

Principal Program Areas

Green Manitoba pursues activities and goals in three principal areas:

- Waste minimization
- Water conservation
- Energy efficiency

Green Manitoba believes that a marked change in public attitudes, perceptions and priorities on environmental issues affords an opportunity not to be missed. We will continue to join up public sector thinking on sustainable waste, water, and energy practices that, through collaboration with partners, can be implemented to good effect.

Key achievements for 2007/08

Green Manitoba is uniquely positioned to act as a catalyst for change toward enhanced sustainability in Manitoba. Through emphasis on the concepts of eco-efficiency, innovation, and partnered approaches, Green Manitoba leads the implementation of community-based practices that conserve water, reduce demand for energy, and effectively manage and minimize waste. Green Manitoba adopts an entrepreneurial approach to accomplishing its mandate and partners with public agencies, community organizations, businesses and residents to leverage collective knowledge and effort and ensure shared success.

2007/08 was a year marked by progress achieved on several fronts. Work on important initiatives already underway continued and key milestone events and successes were accomplished. Agency-sponsored programs introduced in 2007/08 enjoyed strong buy-in from stakeholders and demonstrated impressive public support.

Green Manitoba's task of identifying value-add opportunities, building collaborative relationships and securing program resources – although still challenging – is an operating norm that the agency is managing more effectively over time. The highlights listed below emanate from that environment and reflect a commitment from the agency to contribute meaningfully to Manitoba's sustainability agenda.

Year 2007/08 Highlights

- As part of Manitoba's extended producer responsibility (EPR) initiative, Green Manitoba, in cooperation with Conservation Manitoba, concluded public consultations on the Household Hazardous or Prescribed Household Material Stewardship Regulation and the Electronic and Electrical Equipment Stewardship Regulation in November, 2007.

- Green Manitoba, working collaboratively with industry stakeholders and Conservation Manitoba, helped successfully transition province-wide scrap tire management from the existing Tire Stewardship Board to industry's Tire Stewardship Manitoba organization effective April 1, 2008.

- Green Manitoba delivered Manitoba's first province-wide Electronic Waste (E-waste) Round-Up in partnership with local entities and e-waste management business. The program ran for 3 months from June to August and collected more than 310,400 kgs of e-waste from 20 depots.

- In partnership with MERLIN – a Manitoba Government special operating agency – Green Manitoba established a school division electronic equipment recycling service.

- Green Manitoba provided ongoing support and oversight for household hazardous waste (HHW) collection events in Winnipeg and throughout rural and northern Manitoba. In 2007/08, 473,768 kgs of hazardous waste were collected through 20 events in Winnipeg and 12 rural/northern events. Additionally, an on-line HHW reservation system was established to enhance customer convenience.

- In the education sector, Green Manitoba ensured the sustainability of environmental stewardship programming for independent K-12 schools by securing and coordinating the provision of funding grants to over 70 schools, and continued its support for waste reduction and green activities in Manitoba universities and colleges through the Post Secondary Education Institutions Recycling Support Program.

- Green Manitoba delivered a public enquiry information line to manage the hundreds of enquires with respect to electronic waste recycling and other green issues.

- Green Manitoba worked with the University of Manitoba (Faculty of Environmental Studies) to develop a Sustainable Water Management course that aligns students with communities that need assistance relative to water and wastewater management issues (including theVillage of Dunnottar, the Town of Minnedosa, and the RM of Rosser).

- Green Manitoba, working with the Village of Dunnottar and their partners, instituted a water management program (water quality and quantity) in that community leading to development and establishment of a passive filtration system on a small-scale (pilot facility) basis.

- Green Manitoba developed a framework and a partnered approach to encourage small business owners throughout Manitoba to implement low-cost or no-cost measures aimed at increasing energy and water efficiencies and reducing the amount of waste sent to landfill.

- Working with the Association of Manitoba Municipalities and the Federation of Canadian Municipalities, Green Manitoba initiated a program promoting and enabling the calculation of community GHG emission levels and the establishment of local action plans to achieve reduction targets.

- Green Manitoba researched and developed the program framework for a Green Schools Initiative designed to stimulate and fund student- and teacher-led responses to environmental issues connected with Manitoba schools.

Looking ahead to 2008/09 ... and beyond

As a delivery agent for government dedicated to enhancing sustainability and resource management practices throughout the province, Green Manitoba recognizes that significant future opportunities exist for moving the "green" agenda forward. Some initiatives that Green Manitoba proposes to champion, or substantially contribute to, over the longer term include:

- Developing an up-to-date, comprehensive strategy and action blueprint for waste minimization and management in Manitoba

- Designing and implementing residential organics composting programs

- Increasing recycling and materials processing capacity in Manitoba

- Establishing a commercial food-composting program

- Developing a Build It Green! public information and promotion campaign

- Leveraging the notion of watershed management to prioritize and drive community-based responses to inefficient uses of freshwater and to monitor and measure progress in a scientific manner

- Developing green space stewardship programs that encourage recognition of the value of urban green and natural spaces

- Working strategically with housing authorities and other partners on campaigns to improve residential energy efficiency for targeted communities where the potential for payback is greatest

- Development of *GreenplanIT*, an integrated web-based community planning tool set that surveys and reports energy, water and waste measurements against best practices

- Delivering household water efficiency campaigns that provide information and opportunities for all Manitobans

GREEN MANITOBA ECO SOLUTIONS
An Agency of the Special Operating Agencies Financing Authority
Province of Manitoba

The accompanying financial statements of Green Manitoba Eco Solutions are the responsibility of management and prepared in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality incorporating management's best judgment regarding all necessary estimates and other data available up to May 28, 2008.

Management maintains a system of internal controls throughout its operations that provides reasonable assurance that transactions are authorized, properly reported, and that assets are safeguarded.

The responsibility of the external audit is to express an independent, professional opinion lending assurance and objectivity as to whether the financial statements of Green Manitoba Eco Solutions are fairly presented in accordance with Canadian generally accepted accounting principles. The auditor's report outlines the scope of the audit examination and provides the audit opinion.

Doug Smith
Director

Public Sector Compensation

Pursuant to The Public Sector Compensation Disclosure Act, employees of Green Manitoba who have received compensation of $50,000 or more, including benefits and severance payments, in the year ended March 31, 2008, are disclosed in Volume 2 of the Public Accounts of the Province of Manitoba.

GREEN MANITOBA ECO SOLUTIONS

(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)

Financial Statements

Year Ended March 31, 2008

GREEN MANITOBA ECO SOLUTIONS

(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)

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Year Ended March 31, 2008

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EXG

THE EXCHANGE

chartered accountants LLP

AUDITORS' REPORT

To the Special Operating Agency Financing Authority

We have audited the balance sheet of Green Manitoba Eco Solutions, An Agency of the Special Operating Agencies Financing Authority Province of Manitoba, as at March 31, 2008 and the statements of income (loss) and deficit and cash flows for the year then ended. These financial statements are the responsibility of Green Manitoba's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Green Manitoba as at March 31, 2008 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

The Exchange

chartered accountants LLP

Winnipeg, Manitoba
May 28, 2008

100-123 Main Street, Winnipeg, MB R3B 0R3
Telephone: (204) 943-4584 Fax: (204) 957-5195
Toll Free: 1-866-EXG-0303
E-mail: info@exg.ca Website: www.exg.ca

GREEN MANITOBA ECO SOLUTIONS

(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)

Management's Responsibility for Financial Reporting

Green Manitoba Eco Solutions (Green Manitoba) management is responsible for preparing the financial statements and other financial information in the Annual Report. This responsibility includes maintaining the integrity and objectivity of financial data and the presentation of Green Manitoba's financial position and results of operations and its cash flows in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available through May 28, 2008.

Management maintains internal controls to properly safeguard Green Manitoba's assets. These controls also provide reasonable assurance that the books and records from which financial statements are derived accurately reflect all transactions, and that established policies and procedures are followed.

Green Manitoba's financial statements have been audited by The Exchange chartered accountants LLP, independent external auditors. The auditors' responsibility is to express an independent opinion on whether the financial statements of Green Manitoba are presented fairly, in all material respects, in accordance with Canadian generally accepted accounting principles. The Auditors' Report outlines the scope of their audit examination and provides their audit opinion.

On behalf of Green Manitoba's management,

Doug Smith
Director

Winnipeg, Manitoba
June 5, 2008

GREEN MANITOBA ECO SOLUTIONS

(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)

Balance Sheet

(In Thousands)

March 31, 2008

	2008	2007
ASSETS		
CURRENT		
Cash	**$ 109**	$ -
Accounts receivable *(Note 4)*	**195**	17
Prepaid expenses	**1**	1
	305	18
CAPITAL ASSETS *(Notes 2, 3)*	**9**	7
	$ 314	$ 25
LIABILITIES		
CURRENT		
Working capital payable *(Note 5)*	**$ -**	$ 55
Accounts payable and accrued liabilities	**101**	16
Deferred revenue *(Note 2)*	**252**	99
	353	170
SEVERANCE LIABILITY *(Note 6)*	**2**	1
	355	171
EQUITY		
Contributed surplus *(Note 7)*	**9**	9
Deficit	**(50)**	(155)
	(41)	(146)
	$ 314	$ 25

COMMITMENTS *(Note 8)*

GREEN MANITOBA ECO SOLUTIONS

(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)

Statement of Income (Loss) and Deficit

(In Thousands)

Year Ended March 31, 2008

	2008	2007
REVENUE		
Science, Technology, Energy and Mines Grant (STEM)	**$ 1,881**	$ 1,160
Other government revenue	**532**	261
Non-government revenue	**103**	147
	2,516	1,568
EXPENSES		
Advertising and promotion	**19**	4
Amortization	**3**	2
Computer expenses	**27**	28
Contracted services	**153**	86
Office	**31**	41
Other expenses	**-**	34
Professional fees	**6**	8
Program supplies and services	**1,364**	880
Rent	**114**	117
Salaries and wages	**652**	515
Severance expense	**2**	1
Training	**7**	-
Travel	**33**	7
	2,411	1,723
NET INCOME (LOSS)	**105**	(155)
DEFICIT - BEGINNING OF YEAR	**(155)**	-
DEFICIT - END OF YEAR	**$ (50)**	$ (155)

GREEN MANITOBA ECO SOLUTIONS

(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)

Statement of Cash Flows

(In Thousands)

Year Ended March 31, 2008

	2008	2007
OPERATING ACTIVITIES		
Net income (loss)	**$ 105**	$ (155)
Item not affecting cash:		
Amortization of capital assets	**3**	2
	108	(153)
Changes in non-cash working capital:		
Accounts receivable	**(178)**	(17)
Accounts payable and accrued liabilities	**84**	15
Deferred revenue	**153**	99
Severance liability	**1**	1
	60	98
Cash flow from (used by) operating activities	**168**	(55)
INVESTING ACTIVITY		
Purchase of equipment	**(4)**	-
Cash flow used by investing activity	**(4)**	-
INCREASE (DECREASE) IN CASH FLOWS	**164**	(55)
WORKING CAPITAL PAYABLE - BEGINNING OF YEAR	**(55)**	-
CASH (WORKING CAPITAL PAYABLE) - END OF YEAR	**$ 109**	$ (55)

1. NATURE OF ORGANIZATION

Effective April 1, 2006, Green Manitoba Eco Solutions ("Green Manitoba") was designated as a Special Operating Agency pursuant to the Special Operating Agencies Financing Authority act (C.C.S.M. c.S185). Green Manitoba operates under a charter approved by the Lieutenant Governor in Council.

Green Manitoba is committed to connecting environmental quality and economic vitality through efficient resource utilization. Green Manitoba promotes the implementation of community practices that conserve water, reduce demand for energy, and effectively manage and minimize waste.

Green Manitoba is financed through the Special Operating Agencies Financing Authority (SOAFA). SOAFA has the mandate to hold and acquire assets required for and resulting from Green Manitoba's operations. It finances Green Manitoba through repayable loans and working capital advances. The financial framework enables Green Manitoba to operate in a business-like manner according to public policy expectations. A management agreement between the Financing authority and the Minister of Science, Technology, Energy and Mines assigns responsibility to Green Manitoba to manage and account for agency-related assets and operations on behalf of the Financing Authority.

Green Manitoba is part of the Department of Science, Technology, Energy and Mines and operates under policy direction of the Deputy Minister. Green Manitoba remains bound by relevant legislation and regulations, as well as by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

Green Manitoba is economically dependent on the Province of Manitoba, as it derives a significant portion of its revenue from the province. The transactions with the province of Manitoba are recorded at the exchange amount, which is the amount agreed upon by both parties.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of reporting

The financial statements of Green Manitoba have been prepared in accordance with Canadian generally accepted accounting principles (GAAP).

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

New accounting policies

Effective April 1, 2007 Green Manitoba adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants (CICA):

Section 1506, Accounting Changes

Section 1506 requires that voluntary changes in accounting policies are made only if they result in the financial statements providing reliable and more relevant information. Additional disclosure is required when an entity has not yet applied a new primary source of Canadian generally accepted accounting principles that has been issued but is not yet effective, as well as when changes in accounting estimates and errors occur. The adoption of this revised standard had no material impact on Green Manitoba's financial statements for the year ended March 31, 2008.

Section 1530, Comprehensive Income

Section 1530 requires the presentation of a statement of comprehensive income and provides guidance for the reporting and display of other comprehensive income. Comprehensive income represents the change in equity of an enterprise during a period from transactions and other events arising from non-owner sources including gains and losses arising on translation of self-sustaining foreign operations, gains and losses from changes in fair value of available for sale financial assets and changes in fair value of the effective portion of cash flow hedging instruments. Green Manitoba has not recognized any adjustments through other comprehensive income for the year ended March 31, 2008. Because the entity has no items related to other comprehensive income, comprehensive income is equivalent to net income.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Section 3855, Financial Instruments – Recognition and Measurement

Section 3855 prescribes the criteria for recognition and presentation of financial instruments on the balance sheet and the measurement of financial instruments according to prescribed classifications. Under this section, financial assets and liabilities are initially recorded at fair value. This section also addresses how financial instruments are measured subsequent to initial recognition and how the gains and losses are recognized.

Green Manitoba is required to designate its financial instruments into one of the following five categories: held for trading; available for sale; held to maturity; loans and receivables; and other financial liabilities. All financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost.

Green Manitoba has designated its financial instruments as follows:

Cash is classified as financial assets held for trading and is measured at fair value with gains and losses recognized in net earnings. Due to the relatively short period to maturity of this financial asset, the carrying values approximate its fair values.

Accounts receivable is classified as loans and receivables. These financial assets are recorded at their amortized cost using the effective interest rate method.

Accounts payable and accrued liabilities are classified as other financial liabilities. These financial liabilities are recorded at their amortized cost using the effective interest rate method.

The adoption of this revised standard had no material impact on Green Manitoba's financial statements for the year ended March 31, 2008.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Future accounting policy changes

Section 3862, Financial Instruments – Disclosures and Section 3863, Financial Instruments – Presentation
The CICA has issued two new standards, CICA 3862: Financial Instruments – Disclosures and CICA 3863: Financial Instruments – Presentation, which enhance the abilities of users of financial statements to evaluate the significance of financial instruments to an entity, related exposures and the management of these risks. These changes in accounting policies, which will be adopted effective April 1, 2008, will require additional disclosures in the financial statements.

Section 1535, Capital Disclosures
The CICA has also issued a new standard, CICA 1535: Capital Disclosures, which requires the disclosure of qualitative and quantitative information that enables users of financial statements to evaluate Green Manitoba's objectives, policies and processes for managing capital.

This accounting policy change, which will be adopted effective April 1, 2008, will require additional disclosure in the financial statements.

Section 3031, Inventories
In June 2007, the CICA issued Section 3031, Inventories, replacing Section 3030, Inventories. The new Section will be applicable to financial statements relating to fiscal years beginning on or after January 1, 2008. Accordingly, Green Manitoba will adopt the new standards for its fiscal year beginning April 1, 2008. It provides more guidance on the measurement and disclosure requirements for inventories. Green Manitoba does not expect that the adoption of this new Section will have a material impact on its financial statements.

Financial instruments

Green Manitoba's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that Green Manitoba is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair value of accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short term maturity.

Cash and equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts and short term investments with original maturities of six months or less. Bank borrowings are considered to be financing activities.

(continues)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Capital Assets

Capital assets transferred to Green Manitoba on April 1, 2006 assumed a cost equal to their net book value at March 31, 2006.

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized straight-line over a period of 5 years. Green Manitoba regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital asset cost.

Deferred revenue

Deferred revenue represents cash received for projects that were started but not completed by year end.

Revenue recognition

Grants are recognized as income in the year in which they are received. Special program funding is taken into income to match the program expenditures. Any remaining program funding is deferred.

3. CAPITAL ASSETS

	2008		2007	
	Cost	**Accumulated amortization**	Cost	Accumulated amortization
Computer equipment	**$ 4**	**$ 1**	$ -	$ -
Furniture and fixtures	**9**	**3**	9	2
	$ 13	**$ 4**	$ 9	$ 2
Net book value	**$ 9**		$ 7	

4. ACCOUNTS RECEIVABLE

The accounts receivable balance is comprised of the following amounts:

	2008	2007
School waste program	**$ -**	$ 5
Green building program	**-**	12
Education - Gimli water project	**8**	-
Eco-trust funds	**112**	-
UDI - West Broadway Low Income	**75**	-
	$ 195	$ 17

5. WORKING CAPITAL PAYABLE

Green Manitoba has an authorized line of working capital from the Province of Manitoba of $500 of which $Nil was used at March 31, 2008 (2007 - $55).

6. SEVERANCE LIABILITY

Effective April 1, 2006, Green Manitoba commenced recording accumulated severance pay benefits for its employees.

The amount of severance pay obligations is normally based on actuarial calculations. Green Manitoba has not had an actuary report completed as they are a new Special Operating Agency, therefore an extrapolation of other SOA's was used for Green Manitoba. The periodic valuations of these liabilities may determine that adjustments are needed to the actuarial calculations when actual experience is different from that expected because of changes in actuarial assumptions used. The resulting actuarial gains or losses are amortized over the expected average remaining service life of the related employee group.

The estimated severance pay liability as of March 31, 2008 is $2 (2007 - $1).

7. CONTRIBUTED SURPLUS

Green Manitoba and the Department of Energy, Science and Technology entered into a Transfer Agreement to transfer existing assets used in Green Manitoba Eco Solutions program of the Department of Energy, Science and Technology. They consist primarily of equipment, furniture and other items having an estimated value of $9. Green Manitoba has capitalized these assets with a corresponding increase in contributed surplus.

8. COMMITMENTS

Green Manitoba entered into a three year lease with Toshiba of Canada for printing and copying equipment. The lease is being paid monthly until June 30, 2009. Green Manitoba entered into a second lease with Toshiba of Canada for a fax machine. This lease is being paid monthly until January 31, 2009.

Future lease payments are approximately as follows:

2009	$ 3
2010	1
	$ 4

9. PENSION BENEFIT

In accordance with the provisions of The Civil Service Superannuation Act, employees of Green Manitoba are eligible for pension benefits under the Civil Service Superannuation Fund. The pension plan is a defined benefit plan, which requires Green Manitoba to contribute an amount equal to the employee's contribution to the fund for current services. The amount accrued by Green Manitoba in the current year is $25 (2007 - $8).

Green Manitoba has no further liability associated with the annual cost of pension benefits earned by Green Manitoba's employees.

10. PUBLIC SECTOR COMPENSATION DISCLOSURE

		2008	2007
Eckstein, Brett	Program lead	**$ 65**	$ -
Ferguson, Jim	Program lead	**68**	-
Jonasson, John	Program lead	**77**	-
McKenzie, Shane	Program analyst	**52**	-
Shymko, Randall	Program lead	**55**	-

It is a requirement of the Public Sector Compensation Disclosure Act that annual disclosure be made of individual compensation exceeding $50 annually to any officer or employee of the Province of Manitoba. The above employees received compensation in excess of $50.

In 2007 Green Manitoba was not the employer of record for any employees receiving compensation in excess of $50. Where compensation in excess of $50 was paid, employee names and the amounts paid have been disclosed in the records of affected departments.

11. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

Staff as of March 31, 2008

Jim Bakken
Doug Smith
John Jonasson
Jim Ferguson
Shane McKenzie
Randall Shymko
Marie Storey
Rathan Bonam
Lindsay Irwin
Annette Vogt
Jo Ann Van Santen

Acknowledgements

Green Manitoba gratefully acknowledges the support and cooperation received in 2007/08 from individuals, entities and partners with shared interests.

Association of Manitoba Municipalities

Tire Stewardship Manitoba

Manitoba Hydro

Town of Minnedosa

Resource Conservation Manitoba

Take Pride Winnipeg!

Manitoba Association for Resource Recovery Corp.

Manitoba schools and educators

The Thomas Sill Foundation Inc.

City of Winnipeg

Compost Council of Canada

Computers for Schools

E-Waste Round-up Advisory Committee

Sims Recycling Solutions

Responsible Electronics Recycling

Household Hazardous Waste Industry Working Group

Emerge Knowledge Design

Packaging and Printed Paper Industry Working Group

Electronic Product Stewardship Canada

Miller Environmental Corporation

Environment Canada

Manitoba Conservation

Manitoba Water Stewardship

Manitoba Education, Citizenship & Youth

Consumers Association of Canada

Manitoba Department of Science, Technology, Energy and Mines

University of Manitoba

Manitoba Association of Regional Recyclers

Manitoba Product Stewardship Corporation

Syrotech Industries

The Manitoba Tire Stewardship Board

Council on Post Secondary Education

Rechargeable Battery Recycling Corporation

30% TOTAL RECOVERED FIBER